



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 28, 1999

Clyde Slaugh
Daggett County
95 North 100 West
Manila, Utah 84046

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Daggett County, County Pit Project, S/009/004 (ML 46149), Daggett County, Utah

Dear Mr. Slaugh:

Thank you for your Notice of Intention to Commence Small Mining Operations, received by the Division on January 11, 1999. This project has previously been operating without submission of a notice to the Division. The application for the existing clay mining project located in SE 1/4 NW 1/4 Section 29, T3N, R20E, SLBM, Daggett County, Utah, is considered complete and no additional information is required at this time. In August 1998, the Division received your \$100.00 permit application fee for this project. This notice is now considered to be in effect and in compliance with the Utah Mined Land Reclamation Act.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 1998, the fees are assessed to new submissions and to existing notices annually thereafter. A small Mining Notice requires an annual \$100.00 fee.

The variance request section of the notice was left blank. The Division interprets this to mean that no variances are requested and that your operations will be able to fully comply with the applicable 14 Operation and Reclamation Practices described in the MR-SMO Form. Please notify us in writing if this interpretation is incorrect. A variance request must be submitted to the Division in writing providing the information as described under section R647-3-110 of the Minerals Rules. Variance requests are not required for practices which apply to features which are nonexistent at the site. For example, you would not need to request a variance from item 2 of the Operation and Reclamation Practices since your operation does not include any shafts or tunnels.

Enclosed for your reference are copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of

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undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

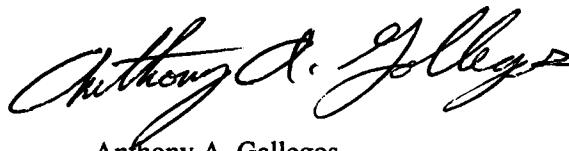
Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify them upon receipt of a mining application. If you haven't already done so, you are advised to contact their office prior to starting your small mining operation to determine whether additional permits and/or approvals are required. We will forward a copy of this letter and your notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146.

Approval of mineral exploration or mining operations by the Division of Oil, Gas and Mining does not constitute approval to commence operations upon lands under state mineral leases/school sections administered by the School and Institutional Trust Lands Administration (SITLA). Before conducting mining operations on these lands, the operator must provide written notification, meet bonding requirements, and obtain written approval from SITLA. Please contact John Blake at: 675 East 500 South, Salt Lake City, Utah 84102; phone number (801) 538-5100.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,



Anthony A. Gallegos
Senior Reclamation Specialist

jb
Enclosure

cc: Kiran Bhayani, DWQ w/NOI
John Blake, SITLA (ML 46149) w/NOI
Roger L. Bon, UGS
Tracking File
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